

## Core Banking Agreement



# Authority to Debit Percentage Sweep

Product & Services  
Terms & Conditions



**BANK OF  
SCOTLAND**



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Core Banking Agreement  
("The Agreement") contains  
terms, conditions and  
important information that  
apply to certain of our  
products and services.  
Those products and services  
can be identified as they  
state in the header  
Core Banking Agreement.

# Important Information

The following documents detail both your and our rights and obligations in relation to the **Products**.



## Relationship Terms & Conditions

These contain the general relationship terms and conditions for all **Products** under **The Agreement**;



## Product & Services Terms & Conditions

These contain additional terms and conditions for a specific **Product** provided under **The Agreement**; and



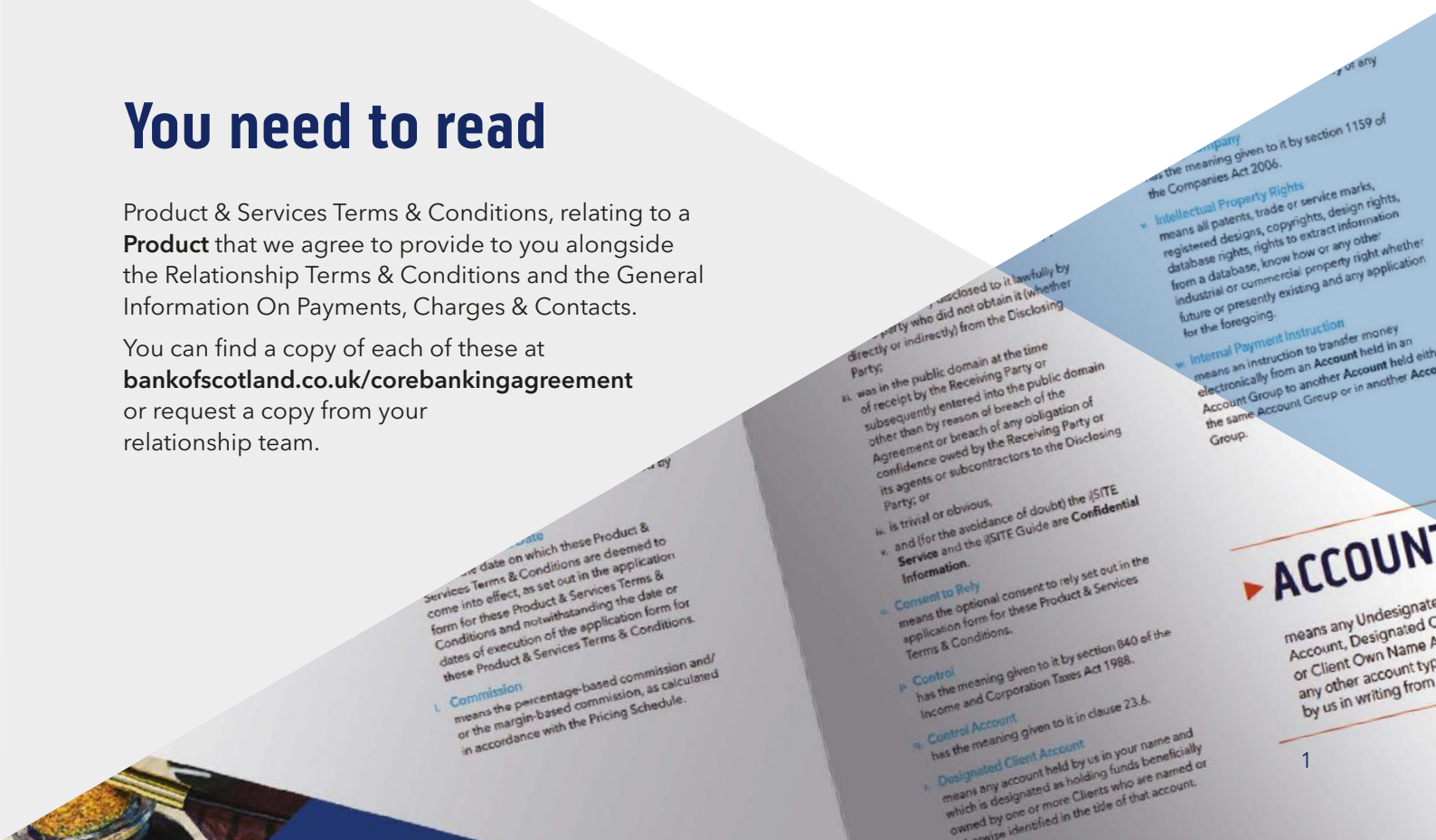
## General Information On Payments, Charges & Contacts

This contains the general information you will need to know in respect of payments and standard charges under **The Agreement**. Also included are general contact details and information on large print, Braille and call recording.

## You need to read

Product & Services Terms & Conditions, relating to a **Product** that we agree to provide to you alongside the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts.

You can find a copy of each of these at [bankofscotland.co.uk/corebankingagreement](http://bankofscotland.co.uk/corebankingagreement) or request a copy from your relationship team.









# 1. Definitions

- 1.1 Words and expressions as defined in the Relationship Terms & Conditions and the General Information On Payments, Charges & Contacts have the same meaning in these Product & Services Terms & Conditions unless otherwise stated in these Product & Services Terms & Conditions. We also use the following defined terms throughout these Product & Services Terms & Conditions.

## **Balance**

means the credit balance on the **Originating Account** at the time that we carry out a **Sweep**.

## **Charges**

means our charges for providing the sweeping services under these Product & Services Terms & Conditions (if any), details of which are set out in the charging schedule to these Product & Services Terms & Conditions.

## **Euro Payment Day**

means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for settlement of payments in euro.

## **Maximum Balance**

means the maximum balance to be held on the **Originating Account**, as set out and identified as such in the **Sweep Instruction Form**.

## **Originating Account**

means the account identified as such in the **Sweep Instruction Form**.

## **Originating Account Customer**

means the customer identified as such in the **Sweep Instruction Form** from whose account a **Sweep** may be made.

## **Other Customer**

means:

- i. if you are the **Originating Account Customer**, the **Receiving Account Customer**; or
- ii. if you are the **Receiving Account Customer**, the **Originating Account Customer**.

## **Receiving Account**

means any of the accounts specified and identified as such in the **Sweep Instruction Form**.

## **Receiving Account Customer**

means the customer identified as such in the **Sweep Instruction Form** to whose account a **Sweep** may be made.

## **Sweep**

means a transfer of funds under these Product & Services Terms & Conditions.

## **Sweep Date**

means the **Business Day** on which a **Sweep** will be carried out.

## **Sweep Instruction**

means the instruction(s) set out in the **Sweep Instruction Form** in relation to a **Sweep** between the **Originating Account** and the **Receiving Account**.

## **Sweep Instruction Form**

means the Sweep Instruction Form, duly completed by the **Originating Account Customer** and the **Receiving Account Customer**.

## 2. Sweeping arrangements

- 2.1 Once we receive the **Sweep Instruction Form** (in a form which is acceptable to us) you have provided your consent for us to execute your **Sweep Instruction(s)** and we will start making **Sweeps** as soon as reasonably practicable.
- 2.2 The **Originating Account Customer** and the **Receiving Account Customer** agree that **Sweeps** will only be carried out on **Business Days**. If an **Originating Account** or a **Receiving Account** is a euro denominated account then a **Business Day** will include any **Euro Payment Day**. Your **Sweep Instruction Form** sets out how we will deal with any **Sweep** scheduled on a non-**Business Day**.
- 2.3 The **Originating Account Customer** authorises us to:
- 2.3.1 credit each **Receiving Account** at the frequency specified in the **Sweep Instruction Form** with such a percentage amount as is necessary to leave the **Maximum Balance** (which may not be less than zero) in the **Originating Account** following the **Sweep**; and
  - 2.3.2 debit the **Originating Account** with each such percentage amount.
- 2.4 The **Originating Account Customer** agrees that if any **Sweep** does or would result in a debit balance on the **Originating Account**, or if the **Sweep** does or would exceed any borrowing limit that may be agreed on the **Originating Account**, we may, at our sole option:
- 2.4.1 implement the **Sweep** in whole or not at all; or
  - 2.4.2 if the **Sweep** has already been made, reverse the **Sweep** in whole or in part at any time up to the close of banking business on the following **Business Day**.
- 2.5 The **Originating Account Customer** and the **Receiving Account Customer** agree that if any cheques or other payments previously paid into the **Originating Account** and forming part of a **Sweep** are returned unpaid, recalled or reversed, we may (whether or not we had previously regarded such items as being cleared) debit the amount of any unpaid cheques or other recalled or reversed payments from the **Originating Account**, the **Receiving Account** or from any account held by the **Receiving Account Customer** with us to which funds have been transferred.



- 2.6 The carrying out of any one **Sweep** under these Product & Services Terms & Conditions will not be affected by the failure of any other **Sweep**.
- 2.7 The **Originating Account Customer** and the **Receiving Account Customer** each agree that we are not required to calculate and/or apportion any interest, other earnings or costs between the **Originating Account Customer** and the **Receiving Account Customer**.



## 3. Representations and Warranties

- 3.1 Each of the **Originating Account Customer** and the **Receiving Account Customer** warrants and represents that:
- 3.1.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
  - 3.1.2 it has all of the rights, powers and capacity that are required for it to enter into **The Agreement** and receive the sweeping services provided under these Product & Services Terms & Conditions without infringing the provisions of its constitutional documents, the powers conferred in such constitutional documents or the rights of any third party;
  - 3.1.3 it will not create any security over, assign, transfer or otherwise dispose of any of its rights or benefits over the **Originating Account** or the **Receiving Account** (as applicable);
  - 3.1.4 each **Sweep** from the **Originating Account** will, where necessary, be recorded by the **Originating Account Customer** as a loan by it to the **Receiving Account Customer** or (as the case may be) as a payment in or towards repayment of amounts owing to the **Receiving Account Customer** and the funds transferred will be held by the **Receiving Account Customer** beneficially and not as trustee;
  - 3.1.5 each **Sweep** is to be made for the purpose of treasury management arrangements for the group of organisations of which the **Originating Account Customer** is part and/or with which the **Originating Account Customer** has an agreed working relationship;
  - 3.1.6 entering into these Product & Services Terms & Conditions, receiving the sweeping services provided under these Product & Services Terms & Conditions and performing the obligations under these Product & Services Terms & Conditions will not breach any law that is binding on the **Originating Account Customer** or the **Receiving Account Customer** (as applicable);
  - 3.1.7 it is solvent and will not cease to be solvent as a result of any **Sweep**; and
  - 3.1.8 entering into these Product & Services Terms & Conditions, receiving the sweeping services provided under these Product & Services Terms & Conditions and the making of each **Sweep** under these Product & Services Terms & Conditions is to its benefit and in its best interests.
- 3.2 The **Originating Account Customer** also warrants that no trust arrangement, agency arrangement, security interest or other beneficial interest exists in relation to the **Originating Account** (unless a security interest exists in relation to the **Originating Account** and the **Originating Account Customer** has provided to us any evidence that we may require to confirm the security interest holder authorises us to act upon the **Sweep Instruction**).
- 3.3 Each of the **Originating Account Customer** and the **Receiving Account Customer** makes the warranties and representations set out in this section entitled "Representations and Warranties" on the date on which it signs the **Sweep Instruction Form** and it will be deemed to repeat the warranties and representations on each **Sweep Date**. Each of the **Originating Account Customer** and the **Receiving Account Customer** must promptly inform us if any representation or warranty given by it and contained in these Product & Services Terms & Conditions ceases to be true.



You can also find a copy of the Relationship Terms & Conditions, the General Information On Payments, Charges & Contacts and each set of Product & Services Terms & Conditions on Our Website.







## 4. Termination

- 4.1 These Product & Services Terms & Conditions will automatically come to an end if:
  - 4.1.1 the **Originating Account** and/or all of the **Receiving Accounts** are closed;
  - 4.1.2 the **Other Customer** stops receiving the sweeping services provided under these Product & Services Terms & Conditions; and/or
  - 4.1.3 the **Other Customer** ends its relationship with us.
- 4.2 We may stop providing you with this sweeping service (thereby terminating these Product & Services Terms & Conditions) immediately if:
  - 4.2.1 any of the warranties and representations set out in the section entitled “Representations and Warranties” in these Product & Services Terms & Conditions cease to be true;
  - 4.2.2 you are the **Receiving Account Customer** and, under our arrangement with the **Originating Account Customer**, we have the right to immediately:
    - 4.2.2.1 close the **Originating Account**;
    - 4.2.2.2 stop providing the sweeping service provided under these Product & Services Terms & Conditions to the **Originating Account Customer**; and/or
    - 4.2.2.3 end the relationship between us and the **Originating Account Customer**;
  - 4.2.3 you are the **Originating Account Customer** and, under our arrangement with the **Receiving Account Customer**, we have the right to immediately:
    - 4.2.3.1 close any **Receiving Account**;
    - 4.2.3.2 stop providing the sweeping service provided under these Product & Services Terms & Conditions to the **Receiving Account Customer**; and/or
    - 4.2.3.3 end the relationship between us and the **Receiving Account Customer**.
  - 4.2.4 the **Originating Account** has been blocked or frozen or any **Receiving Account** has been blocked or frozen (and, in these circumstances, we may instead, at our option, remove a **Receiving Account** from the **Sweep Instruction**).

## 5. Suspension

- 5.1 We may stop a payment or suspend or delay providing services under these Product & Services Terms & Conditions if:
  - 5.1.1 any of the reasons set out in the sections titled “Suspension of a Product” or “When we can stop the use of a Payment Instrument” in the Relationship Terms & Conditions apply to the **Other Customer**; and/or
  - 5.1.2 the **Originating Account** or any **Receiving Account** has been suspended.

## 6. Removal of a Receiving Account

- 6.1 We can delete or suspend a **Receiving Account** from the **Sweep Instruction** on receipt of 15 days’ notice in writing from any **Authorised Signatory** of the **Originating Account Customer** instructing us to do so.

## 7. Charges

- 7.1 The **Originating Account Customer** agrees to pay to us the **Charges**. We will invoice the **Originating Account Customer** for the **Charges** on a monthly basis (or such other period as may be agreed between the **Originating Account Customer** and us) and the **Originating Account Customer** authorises us to debit the **Charges** shown on the invoice from the **Originating Account** (or such other account as may be agreed between the **Originating Account Customer** and us). We will debit the **Charges** shown on the invoice no less than 15 days and no more than 21 days after the invoice date.
- 7.2 The **Charges** do not include value added tax or any other taxes or duties payable in connection with these Product & Services Terms & Conditions (except those that are attributable to our profits). The **Originating Account Customer** will be responsible for paying any applicable taxes and duties at the applicable rate, save that if any taxes or duties are payable for the same reason in the same amount by the **Receiving Account Customer**, the payment of those taxes or duties by the **Receiving Account Customer** will satisfy the obligation to pay those amounts by the **Originating Account Customer**.

### CHARGES

The Charges do not include value added tax or any other taxes or duties payable in connection with these Product & Services Terms & Conditions (except those that are attributable to our profits).

## 8. Liability

- 8.1 We will not be responsible for any loss or damage that the **Originating Account Customer** or the **Receiving Account Customer** may suffer if:
- 8.1.1 the sweeping arrangements provided under these Product & Services Terms & Conditions are used in a way or for a purpose which is not recommended, authorised or intended by us;
  - 8.1.2 the sweeping arrangements provided under these Product & Services Terms & Conditions are used in a way which contravenes any law or regulation in any relevant jurisdiction; and/or
  - 8.1.3 our failure or delay is due to the failure or delay of the **Originating Account Customer** or the **Receiving Account Customer** in performing its obligations under **The Agreement**.
- 8.2 You agree that you are responsible for any loss or damage that we may suffer, where this is due to your:
- 8.2.1 failure (or the failure of your employees, servants, agents or representatives) to act in accordance with the terms of **The Agreement**; or
  - 8.2.2 failure (or the failure of your employees, servants, agents or representatives) to comply with any applicable law or regulation.
- 8.3 If you are a partnership, charity, trust or any other organisation or club, you will ensure that any persons becoming partners, members, trustees or committee members following the date that you sign the **Sweep Instruction Form** are bound by the terms of **The Agreement** and that the terms of **The Agreement** are enforceable against them.



8.4 We will not be liable for any loss, damage, injury, interruption, delay or non-performance howsoever caused or arising save to the extent that the same is caused directly by our (or our servants' or agents') fraud, breach of contract or negligence and in the case of claims arising from breach of contract or negligence, our total aggregate liability in any given year in respect of all claims arising out of or in connection with the services provided under these Product & Services Terms & Conditions shall not exceed the total amount of **Charges** actually paid to us in respect of the services provided under these Product & Services Terms & Conditions during the year and year shall mean a period of 12 calendar months prior to the liability arising or such lesser period as these Product & Services Terms & Conditions have been in effect.

8.5 We will not be bound by any representation or warranty given by any of our employees or agents in connection with the services provided under these Product & Services Terms & Conditions unless such representation or warranty has been confirmed in writing by your relationship team.

8.6 You hereby agree to indemnify us against any loss or damage and any claims, actions, proceedings, costs or expenses suffered or incurred by us by reason directly or indirectly of your negligence or the negligence of your employees, agents or representatives or the failure on the part of any of the foregoing to act in accordance with the **Terms and Conditions** or of us acting in accordance with the **Terms and Conditions**.

8.7 Nothing in these Product & Services Terms & Conditions limits or excludes our liability in any way under the sections titled "Refunds for incorrectly executed payment instructions", "Refunds for incorrect payment amounts/sums" and "Refunds for unauthorised transactions" in the Relationship Terms & Conditions. Any limitation on your liability under the section titled "Your responsibility for unauthorised transactions" in the Relationship Terms & Conditions will not be affected or prejudiced by any term of these Product & Services Terms & Conditions.



## 9. Other terms

- 9.1 These Product & Services Terms & Conditions do not in any way prejudice or affect the instructions given to us in your **Mandate**, nor do they prejudice or affect any set off, guarantee or other security arrangement which has been, or is in the future, agreed between you and us.
- 9.2 Each of our services and products have separate terms and conditions applying to them (including in the form of other Product & Services Terms & Conditions).
- 9.3 These Product & Services Terms & Conditions apply to the Authority to Debit Percentage Sweep service provided to you under these Product & Services Terms & Conditions. Subject to clause 9.4 and clause 9.5, if separate terms and conditions (including in the form of other Product & Services Terms & Conditions) are provided to you by us for the supply by us of any of our other services or products (either electronic, automated or other), the provisions of any such separate agreements will apply to those products and services.
- 9.4 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply of the Authority to Debit Percentage Sweep service you receive from us, these Product & Services Terms & Conditions will take precedence.
- 9.5 To the extent of any conflict between these Product & Services Terms & Conditions and any other separate terms and conditions relating to the supply by us of any of our other products and services (either electronic, automated or other), the terms and conditions relating to such other products and services will take precedence in respect of the provision by us to you of those products and services.

## 10. Contact details and notices

10.1 You can contact us:



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by telephone on  
**01733 883 172**; or

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by post at  
150 Fountainbridge,  
Edinburgh EH3 9PE

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by email  
**GRPS0358@lloydsbanking.com**; or

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or by such other contact methods  
as we may from time to time  
advise you.

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10.2 Further contact details are set out within General Information On Payments, Charges & Contacts.

10.3 Any notice to be sent by us in relation to these Product & Services Terms & Conditions will be sent to both the Originating **Account** Customer and the Receiving **Account** Customer.

10.4 The address for any notice to us will be your relationship team unless agreed otherwise. The address for any notice to you will be the address given on the **Sweep Instruction Form**.

